

## **RESOLUTION 2004-48**

### **CONCERNING FINANCING BY HARRAH'S OPERATING COMPANY, INC.**

The Indiana Gaming Commission (Commission) adopts the following resolution pursuant to the authority granted to it under IC 4-33 and pursuant to 68 IAC 1-2-6.

The Commission has considered the following factors:

1. Pursuant to IC 4-33-4-21, the Commission must review proposed debt transactions to ensure that the Riverboat Owner's license is not leased, hypothecated, or money is not borrowed or loaned against the Riverboat Owner's license.
2. Harrah's Operating Company, Inc. owns 99.775% of Showboat Marino Casino Partnership, the entity that holds the riverboat owner's license to operate a riverboat gaming facility located in East Chicago, Indiana. Harrah's Operating Company, Inc. also owns 100% of Horseshoe Gaming Holding Corp., the entity that holds the riverboat owner's license to operating a riverboat gaming facility located in Hammond, Indiana. Harrah's Entertainment, Inc. is the parent company of Harrah's Operating Company, Inc. (collectively referred to as "Harrah's").
3. At the April 30<sup>th</sup> meeting of the Commission, Harrah's made a first presentation seeking Commission approval for a 144A private placement of \$750 million in unsecured notes with an interest rate of 5.5% and a maturity date of July 1, 2010. In order to close on the placement on June 25, 2004, Harrah's requested and received approval for both a waiver of the two-meeting rule and private placement of the notes under the provisions of Resolution 2003-2 on June 24, 2004.
4. Harrah's now requests ratification of both the interim waiver and approval granted on June 24, 2004 for the placement of the \$750 million in unsecured notes at the terms described above.

**NOW, THEREFORE, BE IT RESOLVED BY THE INDIANA GAMING COMMISSION, THAT THE FOLLOWING RESOLUTION IS ADOPTED:**

#### **SECTION 1: SCOPE**

This resolution applies to Harrah's Entertainment, Inc., Harrah's Operating Company, Inc., Showboat Marino Casino Partnership, and Horseshoe Gaming Holding Corp.

#### **SECTION 2: DEFINITIONS**

The definitions set forth in IC 4-33-2 and 68 IAC apply to this resolution.

**SECTION 3: ACTION ON REQUEST FOR RATIFICATION OF WAIVER OF THE TWO MEETING RULE.**

The request for ratification of the waiver of 68 IAC 5-3-2(b)(3), the two meeting rule is hereby:

**APPROVED**

APPROVED OR DISAPPROVED

**SECTION 4: ACTION TAKEN ON REQUEST FOR RATIFICATION OF APPROVAL OF HARRAH'S PRIVATE PLACEMENT OF \$750,000,000 IN UNSECURED NOTES.**

The request for ratification of the approval of Harrah's private placement of \$750,000,000 in unsecured notes pursuant to Resolution 2003-2 is hereby:

**APPROVED**

APPROVED OR DISAPPROVED

**SECTION 5: EFFECTIVE DATE.**

This resolution is effective immediately.

**ADOPTED THIS THE 5th DAY OF AUGUST, 2004:**

THE INDIANA GAMING COMMISSION:

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Donald Vowels, Chair

ATTEST:

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Thomas Milcarek, Secretary